

For Immediate Release
Liberty Mutual Group Inc.

May 6, 2020



LIBERTY MUTUAL ANNOUNCES EXPIRATION DATE RESULTS OF ITS PRIVATE EXCHANGE OFFERS FOR FIVE SERIES OF NOTES AND RELATED TENDER OFFERS OPEN TO CERTAIN INVESTORS

BOSTON, Mass – Liberty Mutual Group Inc. (“Liberty Mutual”) today announced the expiration date results of its two previously announced related transactions to repurchase five series of its outstanding notes: its 6.500% Senior Notes due 2042, its 7.000% Senior Notes due 2034, its 6.500% Senior Notes due 2035, its 4.850% Senior Notes due 2044, and its 4.500% Senior Notes due 2049 (the “existing notes”).

Exchange Offers

The first transaction consists of five separate private offers to exchange (the “exchange offers”) any and all of each series of existing notes listed in the table below for Liberty Mutual’s newly issued 3.950% Senior Notes due 2060 (the “new notes”) and cash, upon the terms and subject to the conditions set forth in the offering memorandum dated April 28, 2020 (the “offering memorandum”), the eligibility letter and the accompanying exchange offer notice of guaranteed delivery (together with the offering memorandum and the eligibility letter, the “exchange offer documents”).

Based on information provided by Global Bondholders Services Corporation, which is acting as the exchange agent and information agent for the exchange offers, existing notes were validly tendered and not validly withdrawn at any time at or prior to 5:00 p.m., New York City time, on May 5, 2020 (the “exchange offer expiration date”), or at any time at or prior to 5:00 p.m., New York City time, on May 7, 2020 (the “exchange offer guaranteed delivery date”) in connection with the guaranteed delivery procedures set forth in the offering memorandum and in the exchange offer notice of guaranteed delivery, in the principal amount set forth below:

<u>CUSIP No. /ISIN</u>	<u>Title of Security</u>	<u>Principal Amount Outstanding</u>	<u>Acceptance Priority Level</u>	<u>Principal Amount Tendered</u>	<u>Principal Amount Expected to be Accepted⁽¹⁾</u>
53079EAEZ7/US53079EAEZ79 U52932AS6/USU52932AS62 53079EAE4/US53079EAE41	6.500% Senior Notes due 2042	\$269,852,000	1	\$19,701,000	\$19,701,000
U52932AD9/USU52932AD93 53079EAG9/US53079EAG98 U52932AE7/USU52932AE76 53079EBF0/US53079EBF07 U52932AX5/USU52932AX57	7.000% Senior Notes due 2034	\$152,647,000	2	\$28,450,000	\$28,450,000
U52932AY3/USU52932AY31 53079EBH6/US53079EBH62 U52932BE6/USU52932BE67 U52932BF3/USU52932BF33	6.500% Senior Notes due 2035	\$301,113,000	3	\$29,492,000	\$29,492,000
	4.850% Senior Notes due 2044	\$613,922,000	4	\$49,935,000	\$49,935,000
	4.500% Senior Notes due 2049	\$350,000,000	5	\$118,180,000	\$118,180,000

(1) These amounts do not include the principal amount of existing notes tendered or to be tendered by holders of such existing notes in accordance with and pursuant to the guaranteed delivery procedures. Such amounts remain subject to the satisfaction of the guaranteed delivery procedures. Existing notes tendered pursuant to the guaranteed delivery procedures are required to be tendered at or prior to the exchange offer guaranteed delivery date.

Liberty Mutual’s obligation to accept existing notes tendered in the exchange offers is subject to the satisfaction of certain conditions described in the exchange offer documents, including, among other things, the Maximum Total Exchange Condition and (ii) the Cash Offer Completion Condition (each as defined in the offering memorandum).

The conditions to the exchange offers have been satisfied. The Maximum Total Exchange Condition has been satisfied with respect to series of existing notes with Acceptance Priority Level (as set forth in the table above) of 5 and higher. The Cash Offer Completion Condition has been satisfied with respect to series of existing notes with Acceptance Priority Level (as set forth in the table above) of 5 and higher. Accordingly, all existing notes validly tendered or to be validly tendered (including existing notes for which holders have complied with or will comply with the procedures applicable to guaranteed delivery pursuant to the guaranteed delivery procedures) at or prior to the exchange offer expiration date or exchange offer guaranteed delivery date, as applicable, and not validly withdrawn at or prior to the exchange offer withdrawal deadline, have been accepted for purchase.

The total exchange consideration issued in exchange for any existing notes accepted will be issued on the initial exchange offer settlement date of May 7, 2020; provided that total exchange consideration issued in exchange for any existing notes validly tendered in connection with the guaranteed delivery procedures pursuant to a notice of guaranteed delivery and accepted for exchange will be issued on the exchange offer guaranteed delivery settlement date of May 8, 2020. Interest will cease to accrue on the initial settlement date of May 7, 2020 for all existing notes accepted in the exchange offers, including those tendered pursuant to guaranteed delivery procedures.

The complete terms and conditions of the exchange offers are set forth in the exchange offer documents, which have been made available to holders of the existing notes. For additional copies of the exchange offer documents may be directed to Global Bondholder Services Corporation at (866) 470-4300 (toll free) or (212) 430-3774 (collect). The exchange offer documents can be accessed at the following link: <http://www.gbhc-usa.com/eligibility/liberty>.

Cash Offers

The second transaction consists of five separate offers to purchase for cash (the “cash offers”) any and all of each series of existing notes listed in the table below, upon the terms and subject to the conditions set forth in the offer to purchase dated April 28, 2020 (the “offer to purchase”), the certification instructions letter and the accompanying cash offer notice of guaranteed delivery (together with the offer to purchase, and the certification instructions letter, the “tender offer documents”).

Based on information provided by Global Bondholders Services Corporation, which is acting as the tender agent and information agent for the cash offers, existing notes were validly tendered and not validly withdrawn at any time at or prior to 5:00 p.m., New York City time, on May 5, 2020 (the “cash offer expiration date”), or at any time at or prior to 5:00 p.m., New York City time, on May 7, 2020 (the “cash offer guaranteed delivery date”) in connection with the guaranteed delivery procedures set forth in the offer to purchase and in the cash offer notice of guaranteed delivery, in the principal amount set forth below:

CUSIP No. /ISIN	Title of Security	Principal Amount Outstanding	Acceptance Priority Level	Principal Amount Tendered	Principal Amount Expected to be Accepted ^{(1),(2)}
53079EAZ7/US53079EAZ79 U52932AS6/USU52932AS62	6.500% Senior Notes due 2042	\$269,852,000	1	\$105,000	\$105,000
53079EAE4/US53079EAE41 U52932AD9/USU52932AD93	7.000% Senior Notes due 2034	\$152,647,000	2	\$0	\$0
53079EAG9/US53079EAG98 U52932AE7/USU52932AE76 53079EBF0/US53079EBF07	6.500% Senior Notes due 2035	\$301,113,000	3	\$3,000,000	\$3,000,000
U52932AX5/USU52932AX57 U52932AY3/USU52932AY31 53079EBH6/US53079EBH62	4.850% Senior Notes due 2044	\$613,922,000	4	\$0	\$0
U52932BE6/USU52932BE67 U52932BF3/USU52932BF33	4.500% Senior Notes due 2049	\$350,000,000	5	\$0	\$0

- (1) These amounts do not include the principal amount of existing notes tendered or to be tendered by holders of such existing notes in accordance with and pursuant to the guaranteed delivery procedures. Such amounts remain subject to the satisfaction of the guaranteed delivery procedures. Existing notes tendered pursuant to the guaranteed delivery procedures are required to be tendered at or prior to the exchange offer guaranteed delivery date.
- (2) Liberty Mutual is in the process of reviewing the documentation submitted by holders of existing notes pursuant to the cash offers to determine the validity of the tenders received in the cash offers pursuant to the tender offer documents.

Liberty Mutual’s obligation to accept existing notes tendered in the exchange offers is subject to the satisfaction of certain conditions described in the exchange offer documents, including, among other things, (i) Maximum Total Consideration Condition and (ii) the Exchange Offer Completion Condition (each as defined in the offer to purchase).

The conditions to the cash offers have been satisfied. The Maximum Total Consideration Condition has been satisfied with respect to series of existing notes with Acceptance Priority Level (as set forth in the table above) of 5 and higher. The Exchange Offer Completion Condition has been satisfied with respect to series of existing notes with Acceptance Priority Level (as set forth in the table above) of 5 and higher. Accordingly, all existing notes validly tendered or to be validly tendered (including existing notes for which holders have complied or will comply with certain procedures applicable to guaranteed delivery pursuant to the guaranteed delivery procedures) at or prior to the cash offer expiration date or cash offer guaranteed delivery date, as applicable, and not validly withdrawn at or prior to the cash offer withdrawal deadline have been accepted for purchase.

Payment of total consideration in exchange for any existing notes accepted will be made on the initial cash offer settlement date of May 7, 2020; provided that payment of total consideration issued in exchange for any existing notes validly tendered in connection with the guaranteed delivery procedures pursuant to a notice of guaranteed delivery and accepted for exchange will be made on the cash offer guaranteed delivery settlement date of May 8, 2020. Interest will cease to accrue on the initial settlement date of May 7, 2020 for all existing notes accepted in the cash offers, including those tendered pursuant to guaranteed delivery procedures.

The complete terms and conditions of the cash offers are set forth in the tender offer documents, which have been made available to holders of the existing notes. For additional copies of the tender offer documents may be directed to Global Bondholder Services Corporation at (866) 470-4300 (toll free) or (212) 430-3774 (collect). You may also contact your broker, dealer, commercial bank, trust company or other nominee for assistance concerning the cash offers. The tender offer documents can be accessed at the following link <https://www.gbsc-usa.com/liberty>.

This press release does not constitute an offer to purchase any securities or a solicitation of an offer to sell any securities. The exchange offers and the cash offers are being made only pursuant to the confidential exchange offer documents or tender offer documents, as applicable, and only to such persons and in such jurisdictions as is permitted under applicable law.

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